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Economic Re-Examination of the Philippines by Salvador Araneta

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from the real and present danger by abstract speculations, legal theorizings, and exaggerated fears of executive dominance. Let us, this time, keep one wary eye on the red herring.

FRANCISCO CARREON

ECONOMIC RE-EXAMINATION OF THE PHILIPPINES. By Salvador Araneta. Araneta Institute of Agriculture, Malabon, Rizal, Philippines. 1953. Pp. ii-369.

This book is a collection of speeches and studies on the subject of economic re-examination given by Mr. Araneta between the years 1947 and 1953. The author's present position of Secretary of Agriculture and the prominence which he has long had in Philippine business ensures an interested and respectful audience for his ideas on the present economy of the country.

Though the graduation addresses and other occasional speeches and printed articles of which the book is composed deal with a great variety of economic aspects, there are a few themes which predominate throughout Mr. Araneta's public utterances over the six-year period. Chief among these is his insistence on the need for a revision of the Bell Trade Agreement of 1946. Another is his criticism of the laws, and the implementation of the laws, concerning import control. He insists, also, on the great need for production, both intensive and extensive. And, in a more general way, there is the reiterated exhortation to great sacrifices and "bold measures" towards the economic stabilization of the Philippines.

A "re-examination" naturally contains much adverse criticism of the situation which is being re-examined. The Bell Trade Agreement bears the brunt of Mr. Araneta's attacks. He says that the economic problems in the Philippines since liberation "may be attributed not to an incompetent government, not to deficit financing, but to the Bell Trade Agreement of 1946." The Bell Trade Act, he said in 1947, is "fundamentally defective, beyond repair." The economic ties under this Act are "the main cause of all our social unrest."

On the other hand, in a number of places in this volume are statements charging incompetence to the government, particularly in the matter of import control. He complains that: "It took us more than one year to enact an import control law. Our first attempt to control our imports in 1949 was half-hearted and ineffective." In his foreword he charges that

Philippine leadership was lacking in Manila and that "the administration of the controls was ridden with inefficiency and corruption, with the exception of one administration (Montelibano-Ortigas-Calalang), which had to resign, ironically, for lack of Presidential support."

In addition to the Bell Trade Agreement and import control measures, many other features of Philippine economic life receive a share of criticism. Plans for total economic mobilization "could hardly merit that name"; corruption in some administrative offices makes Mr. Araneta wonder whether "the evil is so deeply rooted in our race that we have lost faith in President Quirino?"; although very important recommendations were made by a Philippine-U.S. agriculture mission "after four years no important part of the report has been adopted"; and then there are among our social and economic ills the same "age-old problems" that were among the causes of the Philippine revolution at the end of the last century.

In collecting so many varied speeches and articles, produced over the course of six years, within the covers of one published volume, Mr. Araneta lays himself open to the charge of "inconsistency". The reader of a *book* instinctively attributes all its opinions to the Author at some single period of time, at least at the date of the publication of the book. In reading Mr. Araneta's book, published in 1953, one is disconcerted to find him apparently attributing all the blame for our economic ills to the Bell Trade Agreement, and yet, in other parts of the same book, blaming governmental incompetence or our "age-old" economic and social evils. In one and the same book, Mr. Araneta states that the Bell Trade Agreement is "beyond repair" and yet should be "revised"; he states that "we did not make any progress in the industrialization of our country" during the 47 years of American occupation and yet, in the same book, states that "before the last war the country supported a sprinkling of light industrial establishments". Are these examples of inconsistency, or should we consider them merely as instances of "rhetorical exaggeration"?

It is noteworthy that the Author doesn't attempt to defend himself against charges of inconsistency. He probably assumes that the reader of his book will remember that it is a collection of passing comments, made at many different times and places, on a continually fluid economic situation. These comments, because they are made by a man holding a Cabinet position, are worthy of attention.

WILLIAM J. NICHOLSON